

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

509



FROM: Department of Environmental Health

SUBMITTAL DATE:
April 17, 2014

SUBJECT: Annual Rate Adjustment to the Waste Collection Agreements for Riverside County

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Introduce and set for public hearing the adoption of Resolution No. 2014-081 Adjusting Waste Hauler Fees for All Franchise Areas;
- 2) Authorize the Clerk of the Board to place an advertisement for the public hearing in the appropriate local publications; and
- 3) Upon the close of the Public Hearing, adopt Resolution No. 2014-081 Adjusting Waste Hauler Fees for All Franchise Areas.

BACKGROUND:
Summary

Waste Collection Franchise Agreements covering most unincorporated portions of Riverside County were phased in between 1997 and 1998.

(continued)

Steve Van Stockum
Director

SVS:JW

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: n/a	Budget Adjustment: No
	For Fiscal Year: 14/15

C.E.O. RECOMMENDATION:

APPROVE

BY:

Steven C. Horn

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

PAUL LANGULO, CPA, AUDITOR-CONTROLLER
 BY: *Mark W. Langulo* 5/9/2014
 MARCA L. PENDLETON, CPA
Mark W. Langulo

FORM APPROVED COUNTY COUNSEL
 4/16/14
 DATE
 BY: PAUL J EARLY

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: 4/23/13 3.18

District: ALL

Agenda Number:

BACKGROUND:

3-24

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Summary (continued)

In each of the existing twelve Franchise Agreements there is a provision for an adjustment of the rates the customers are charged implemented annually in July.

This adjustment allows a "pass through" for any changes to landfills including the Alternative Daily Cover (ADC) surcharge or transfer station fees, and a cost of living increase, based on Consumer Price Index for All Urban Consumers (CPI), for the balance of the rate. There will also be the continued adjustment of fees charged in Desert Center due to the reduction of the County subsidy. All non-disposal costs are adjusted by the CPI for the Los Angeles/Anaheim/Orange County, CA, as published by the United States Department of Labor, Bureau of Labor Statistics. The proposed rates were adjusted as delineated in the franchise agreement using a CPI of 1.1% for the twelve (12) month period January 2013 through December 2013.

PROPOSED ADJUSTMENT DETAILS

The proposed rate adjustments are a 1.1% increase for all Franchise Areas (1-13), based on the CPI, as described above.

One of the Franchise solid waste hauling companies has requested additional changes to their rate structure to cover the costs to provide services. These services were either provided at no charge in the past, were provided at a rate that did not cover the cost, or is a new service. The changes/additions are as follows:

Franchise Areas 1, 3, and 4 (within portions of Board of Supervisors Districts 1, 2, 3, & 5) serviced by Waste Management of the Inland Empire.

1. Overloaded Bin Fee – This charge would apply to customers that have overloaded their commercial bin with trash and debris. There is an existing fee of \$36.51 which will increase by \$13.49 to cover the added expense of the drivers collecting the trash from the ground and the added weight. This fee is only charged after a warning letter has been issued that includes photos of the excess waste and the action is repeated.
2. Commercial Bin Delivery/Removal Fee – This charge would cover the costs for a vehicle separate from the waste collection vehicle to deliver and remove containers from a customer's location upon request. This charge would not be charged per bin but per each separate delivery or removal. The charge would be \$25.00 per occurrence.
3. Commercial Recycle Bin Extra Pick up Fee – This charge would be incurred when a customer requests an additional dump of their recycle bin. The charge would be \$30.00 per occurrence.
4. Residential Extra Bag Fee – This fee would be charged when a customer requests the disposal of extra bags of solid waste, typically infrequently. This could help avoid the need for the customer to order a 2nd cart for disposal. The charge would be \$4.00 per request.

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Franchise Area 8 (within portions of Board of Supervisors District 3) serviced by Waste Management of the Inland Empire.

1. Electronic Waste Disposal Fee – This rate would be charged each trip when a customer brings electronic waste to either the Idyllwild or Anza Transfer Station. The charge would be \$25.00 per occurrence.
2. Construction and Demolition Disposal Fee – This rate would apply when a customer disposes of construction and demolition material at the Idyllwild and Anza Transfer Station. This would allow the customer to avoid traveling to a landfill located a number of miles away. The fee would be \$60 per pickup truck load and \$120.00 for a pickup truck and trailer load.

Impact on Citizens and Businesses

The approval of the proposed 1.1% increase would raise the typical residential rate in the Franchise Areas approximately \$0.30 to \$0.35 per month. The detailed rate sheets will be provided to the Clerk of the Board upon completion of the final calculations no later than July 31, 2014.

SUPPLEMENTAL:

Additional Fiscal Information

The approval of this change will result in no cost to the County; implementation expenses are borne by the franchisee.

2 **RESOLUTION NO. 2014-081**

3 **A RESOLUTION OF THE COUNTY OF RIVERSIDE ESTABLISHING**

4 **WASTE HAULER FEES FOR ALL FRANCHISE AREAS**

5 WHEREAS, California Government Code section 25827 authorizes the Board of Supervisors to
6 prescribe terms and conditions for the collection of solid waste in the unincorporated areas of Riverside
7 County; and

8 WHEREAS, California Public Resources Code section 40059 authorizes the County of Riverside
9 to determine all aspects of solid waste handling which are of local concern, including whether the services
10 are to be provided by nonexclusive franchise, and the charges and fees for such service; and

11 WHEREAS, Riverside County Ordinance 745 has established that a solid waste hauler, duly
12 permitted or franchised by the County of Riverside pursuant to the provisions of Riverside County
13 Ordinance No. 657, shall be entitled to payment for services rendered in the amounts as specified in a
14 Resolution adopted by the Board of Supervisors; and

15 WHEREAS, the Board of Supervisors recognizes the benefits of entering into Waste Hauler
16 Franchise Agreements for the efficiency of solid waste management; and

17 WHEREAS, the County of Riverside has entered into Waste Hauler Franchise Agreements with 4
18 waste haulers to cover Franchise Areas 1 through 13; and

19 WHEREAS, each Waste Collection Franchise Agreement covering Franchise Areas 1 through 13,
20 contains a provision for an annual adjustment of the rates customers are charged based on the consumer
21 price index (“CPI”);

22 WHEREAS additional reasonable charges have been requested by the waste hauler for Franchise
23 Areas 1, 3, 4 and 8 to cover costs. Specifically, to add the following new fees, Commercial Bin
24 Delivery/Removal in the amount of \$25.00 to cover the cost to deliver or collect the bin, Commercial
25 Recycle Bin Extra Pick Up to provide an extra dump of the bin upon the customer’s request in the amount
26 of \$30.00, and a Residential Extra bag pickup in the amount of \$4.00.

27 WHEREAS additional reasonable charges have been requested by the waste hauler to be increased
28 for Franchise Areas 1, 3, 4 and 8 to cover costs. Specifically, to allow to increase the charge for an

1 Overloaded Bin in the amount of \$13.49;

2 WHEREAS additional reasonable charges have been requested by the waste hauler for Franchise
3 Area 8 to cover costs. Specifically, to allow a new fee of \$25.00 for the acceptance of Electronic Waste at
4 the Idyllwild or Anza Transfer Station, and a new fee of \$60 per pickup truck load and \$120.00 per
5 pickup truck and trailer load of Construction and Demolition Disposal at the Idyllwild or Anza Transfer
6 Station;

7 WHEREAS, the Board of Supervisors acknowledges the need for the CPI increase of the hauler
8 fees to meet the needs of cost of living increase, and added costs of providing these new services;

9 BE IT RESOLVED AND ORDERED that the Board of Supervisors of the County of Riverside,
10 State of California, in regular session assembled on _____, finds that the waste hauler fees in
11 Franchise Areas 1-13 shall receive an increase, based on the CPI of 1.1% to the service component of
12 their fees for fiscal year 2014-2015; and the additional revisions noted above;

13 BE IT FURTHER RESOLVED AND ORDERED that a copy of the increased waste rates
14 specifying the new rate for each service area pursuant to this Resolution be received and filed to the Clerk
15 of the Board of Supervisors no later than July 31, 2014.

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17
18 FORM APPROVED COUNTY COUNSEL
19 BY: PAUL JEARLY 4/22/14
DATE